



COUNCIL CHAMBERS

17555 PEAK AVENUE MORGAN HILL CALIFORNIA 95037

COUNCIL MEMBERS

Dennis Kennedy, Mayor
Hedy Chang, Mayor Pro Tempore
Larry Carr, Council Member
Greg Sellers, Council Member
Steve Tate, Council Member

REDEVELOPMENT AGENCY

Dennis Kennedy, Chair
Hedy L. Chang, Vice-Chair
Larry Carr, Agency Member
Greg Sellers, Agency Member
Steve Tate, Agency Member

COUNCIL MEMBER

Steve Tate, Council Member

REDEVELOPMENT AGENCY

Steve Tate, Agency Member

Mr. Tate will participate in Closed Session discussions from remote location at:

6825 East 4th Street
Scottsdale, Arizona 85251

WEDNESDAY, MARCH 19, 2003

AGENDA**JOINT MEETING****CITY COUNCIL SPECIAL AND REGULAR MEETING**

and

REDEVELOPMENT AGENCY SPECIAL MEETING

5:30 P.M.

A Special Meeting of the City Council and Redevelopment Agency is Called at 5:30 P.M. for the Purpose of Conducting Closed Sessions.

Dennis Kennedy, Mayor/Chairman

CALL TO ORDER

(Mayor/Chairperson Kennedy)

ROLL CALL ATTENDANCE

(City Clerk/Agency Secretary Torrez)

DECLARATION OF POSTING OF AGENDA

Per Government Code 54954.2

(City Clerk/Agency Secretary Torrez)

5:30 P.M.

City Council Action and Redevelopment Agency Action

CLOSED SESSION:

1.

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Significant Exposure/Initiation of Litigation

Authority: Government Code Sections 54956.9(b) & (c)

Number of Potential Cases: 2

2.

**CONFERENCE WITH LEGAL COUNSEL - POTENTIAL AND EXISTING LITIGATION:
CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

Legal Authority: Government Code 54956.8 & 54956.9(a) & (c) (1 potential case)

Real Property(ies) involved: APN 728-31-007 & 008; 25.50 acres located on the southwesterly side of
Cochrane Road (St. Louise Hospital property)

City Negotiators: Agency Members; Executive Director; Agency Counsel; F. Gale Conner,
special counsel; Rutan & Tucker, special counsel

Case Name: San Jose Christian College v. City of Morgan Hill

Case Numbers: Ninth Circuit Court of Appeal No. 02-15693

Closed Session Topic: Potential Existing Litigation/Real Estate Negotiations

3.

EXISTING LITIGATION

Authority: Government Code section 54956.9(a)

Case Name/Number: Santa Teresa Citizen Action Group et al. v. California Energy Commission
(California Third District Court of Appeals, C041090); Santa Teresa Citizen
Action Group et al. v. Hearing Board of the Bay Area Air Quality Management
District (San Francisco Superior Court, CPF-02-50164); Santa Teresa Citizen
Action Group et al. v. Calpine Corporation (Ninth Circuit Court of Appeals, 01-
701611).

4.

EXISTING LITIGATION:

Case Title: Kennedy et al. v. Davis et al.

Case Name/No.: Santa Clara County Superior Court Case No. CV 803679

Attendees: City Manager, City Attorney, Special Counsel Matt Jacobs

5.

CONFERENCE WITH LABOR NEGOTIATOR:

Authority: Government Code Section 54957.6
Agency Negotiators: Ed Tewes, City Manager; Helene L. Leichter, City Attorney; Mary Kaye Fisher, Human Resources Director

Employee Organization: AFSCME Local 101
Morgan Hill Community Service Officers Association
Morgan Hill Police Officers Association

Unrepresented Employees: Custodian/Building Maintenance Worker
Government Access Technician
Maintenance Worker Assistant
Utility Worker Assistant

Executive Management Group 1-A

Chief of Police
Director of Business Assistance & Housing Services
Director of Community Development
Director of Finance
Director of Public Works/City Engineer
Human Resources Director
Recreation and Community Services Manager
Assistant to the city Manager
Council Services and Records Manager

Middle Management Group 1-B

Police Captain
Deputy Director of Public Works
Assistant City Attorney
Assistant Director of Finance
Chief Building Official
Human Resources Supervisor
Planning Manager
Senior Civil Engineer
Budget Manager
Business Assistance and Housing Services Manager
Police Support Services Supervisor
Senior Planner
Project Manager
Utility Systems Manager
Recreation Supervisor
Secretary to the City Manager

Confidential Non-Exempt Employees Group 1-C

Administrative Analyst
Secretary to the City Attorney
Accounting Technician
Human Resources Assistant

OPPORTUNITY FOR PUBLIC COMMENT

ADJOURN TO CLOSED SESSION

RECONVENE

CLOSED SESSION ANNOUNCEMENT

7:00 P.M.

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

PROCLAMATIONS

Colorectal Cancer Awareness Month Proclamation
Mala Nichani, American Cancer Society

RECOGNITION

Santa Clara County Emergency Manager's Association Morgan Hill Volunteer of the Year
Mr. Paul Staudenmeier.

PRESENTATION

Housing Trust/Silicon Manufacturing Group
Roccie Hill/Carl Guardino - Executive Directors

CITY COUNCIL REPORT

Council Member Sellers

COUNCIL SUB-COMMITTEE REPORTS

CITY MANAGER'S REPORT

CITY ATTORNEY'S REPORT

OTHER REPORTS

PUBLIC COMMENT

NOW IS THE TIME FOR COMMENTS FROM THE PUBLIC REGARDING ITEMS NOT ON THIS AGENDA.

(See notice attached to the end of this agenda.)

**PUBLIC COMMENTS ON ITEMS APPEARING ON THIS AGENDA WILL BE TAKEN AT THE TIME
THE ITEM IS ADDRESSED BY THE COUNCIL. PLEASE COMPLETE A SPEAKER CARD AND
PRESENT IT TO THE CITY CLERK.**

(See notice attached to the end of this agenda.)

**PLEASE SUBMIT WRITTEN CORRESPONDENCE TO THE CITY CLERK/AGENCY SECRETARY. THE
CITY CLERK/AGENCY SECRETARY WILL FORWARD CORRESPONDENCE TO THE CITY
COUNCIL/REDEVELOPMENT AGENCY.**

City Council Action

CONSENT CALENDAR:

ITEMS 1-12

The Consent Calendar may be acted upon with one motion, a second and the vote, by each respective Agency. The Consent Calendar items are of a routine or generally uncontested nature and may be acted upon with one motion. Pursuant to Section 5.1 of the City Council Rules of Conduct, any member of the Council or public may request to have an item pulled from the Consent Calendar to be acted upon individually.

Time Estimate	Page
Consent Calendar: 1 - 10 Minutes	
1. <u>FEBRUARY 2003 FINANCE AND INVESTMENT REPORT</u>	1
<u>Recommended Action(s):</u> <u>Accept</u> and <u>File</u> Report.	
2. <u>ACCEPTANCE OF THE COMMUNITY AND CULTURAL CENTER PROJECT AND AMENDMENT TO CONSULTANT AGREEMENT</u>	25
<u>Recommended Action(s):</u>	
1. <u>Accept</u> as Complete the Community and Cultural Center Project in the Final Amount of \$11,846,252.00	
2. <u>Direct</u> the City Clerk to File the Notice of Completion with the County Recorder's Office; and	
3. <u>Authorize</u> the City Manager to Execute a Second Amendment to the Consultant Agreement With Pacific Geotechnical Engineering for the Project, Subject to City Attorney Approval.	
3. <u>ACCEPTANCE OF SUBDIVISION IMPROVEMENTS FOR SAN PEDRO-GIANCOLA</u>	29
<u>Recommended Action(s):</u>	
1. <u>Adopt</u> Resolution No. 5655, Accepting the Subdivision Improvements for San Pedro-Giancola; and	
2. <u>Direct</u> the City Clerk to File the Notice of Completion with the County Recorder's Office.	
4. <u>LOT MERGER FOR JACKSON OAKS BOOSTER STATION</u>	35
<u>Recommended Action(s):</u>	
1. <u>Approve</u> the Merger of the Two City Owned Parcels for the Jackson Oaks Booster Station Rehabilitation Project; and	
2. <u>Authorize</u> the City Manager to Execute the Necessary Documents for the Parcel Merger.	
5. <u>MEDICAL RESERVE CORPS GRANT/ OFFICE OF THE SURGEON GENERAL</u>	39
<u>Recommended Action(s):</u>	
1. <u>Approve</u> and <u>Accept</u> \$78,490.00 Over a Three Year Period, to Support the Medical Reserve Corps Grant Project.	
6. <u>APPROVAL OF SUBDIVISION IMPROVEMENT AGREEMENT WITH CHRISTEPH DRIVE PROPERTIES</u>	43
<u>Recommended Action(s):</u>	
1. <u>Approve</u> the Subdivision Improvement Agreement; and	
2. <u>Authorize</u> the City Manager to Sign the Agreement on Behalf of the City with Christeph Drive Properties.	

7.	<u>ESTABLISH SISTER CITY RELATIONSHIP WITH SAN MARTIN DE HIDALGO, MEXICO</u>	55
	<u>Recommended Action(s):</u>	
	1. <u>Adopt</u> Resolution No. 5652, Establishing a Formal Sister City Relationship With the City of San Martin de Hidalgo, Mexico Upon Receipt of a Reciprocal Resolution; and	
	2. <u>Authorize</u> the City Manager to Do Everything Necessary and Appropriate to Establish the Relationship.	
8.	<u>CLEAN VEHICLE RESOLUTION</u>	59
	<u>Recommended Action(s):</u>	
	1. <u>Adopt</u> Resolution No. 5653, Supporting Purchase of Cleaner Vehicles.	
9.	<u>AUTHORIZATION TO APPLY FOR A CODE ENFORCEMENT GRANT</u>	63
	<u>Recommended Action(s):</u>	
	1. <u>Adopt</u> Resolution No. 5659, Authorizing the City Manager to Execute a Grant Application for Code Enforcement Activities.	
10.	<u>ADOPT ORDINANCE NO. 1610, NEW SERIES</u>	67
	<u>Recommended Action(s):</u> <u>Waive</u> the Reading, and <u>Adopt</u> Ordinance No. 1610, New Series, and <u>Declare</u> That Said Title, Which Appears on the Public Agenda, Shall be Determined to Have Been Read by Title and Further Reading Waived; Title as Follows: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL DELETING SECTIONS 10.56.010 THROUGH 10.56.060, INCLUSIVE, AND SECTION 10.56.090 AND AMENDING CHAPTER 10.56, CHAPTER 10.64 AND CHAPTER 10.68 OF THE CITY OF MORGAN HILL MUNICIPAL CODE REGARDING BICYCLES AND COASTER OPERATION, AND FINES THEREFORE.	
11.	<u>LEGISLATIVE PRIORITIES</u>	73
	<u>Recommended Action(s):</u>	
	1. <u>Approve</u> the City of Morgan Hill Legislative Agenda; and	
	2. <u>Authorize</u> the Legislative Subcommittee to Direct Staff to Communicate the City's Legislative Position on Issues When a Position is Consistent with the Legislative Agenda.	
12.	<u>APPROVAL OF JOINT SPECIAL CITY COUNCIL AND SPECIAL PLANNING COMMISSION MEETING MINUTES OF MARCH 5, 2003</u>	75

City Council and Redevelopment Agency Action

CONSENT CALENDAR:

ITEMS 13-16

	Time Estimate	Page
	Consent Calendar: 1 - 10 Minutes	
13.	<u>APPROVAL OF COOPERATIVE AGREEMENT FOR CYCLE II PROPOSITION 14 LIBRARY BOND ACT GRANT APPLICATION</u>	81
	<u>Recommended Action(s):</u>	
	1. <u>Approve</u> Cooperative Agreement Between Morgan Hill Unified School District, Morgan Hill Public Library and City of Morgan Hill for the Cycle II Proposition 14-Library Bond Act Grant Application.	
14.	<u>RESOLUTION FOR CYCLE II PROPOSITION 14 LIBRARY BOND ACT GRANT APPLICATION</u> ...	99
	<u>Recommended Action(s):</u>	
	1. <u>Review</u> Draft Grant Application; and	
	2. <u>Adopt</u> Resolution No. 5654 Authorizing City Staff to Submit Grant Application to the California State Office of Library Construction.	

15.	<u>APPROVAL OF REDEVELOPMENT AGENCY AND SPECIAL CITY COUNCIL MEETING MINUTES OF FEBRUARY 26, 2003</u>	133
16.	<u>APPROVAL OF SPECIAL AND REGULAR CITY COUNCIL AND SPECIAL REDEVELOPMENT AGENCY MEETING MINUTES OF MARCH 5, 2003</u>	149

City Council Action

CONSENT CALENDAR: (Continued)

ITEM 17

Time Estimate	Page
Consent Calendar: 1 - 10 Minutes	

17.	<u>ADOPT ORDINANCE NO. 1609, NEW SERIES</u>	171
	<u>Recommended Action(s):</u> <u>Waive</u> the Reading, and <u>Adopt</u> Ordinance No. 1609, New Series, and <u>Declare</u> That Said Title, Which Appears on the Public Agenda, Shall be Determined to Have Been Read by Title and Further Reading Waived; Title as Follows: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL APPROVING A PRECISE DEVELOPMENT PLAN FOR A 15-UNIT SINGLE FAMILY PROJECT LOCATED WEST OF HILL ROAD AND NORTH OF CONTE WAY, IN A R-1(12,000)/RPD ZONING DISTRICT (APN 728-10-005; ZA-02-11: SHAFER-BAMDAD).	

City Council Action

PUBLIC HEARINGS:

	Time Estimate		Page
18.	5 Minutes	<u>SOLID WASTE MANAGEMENT RATE ADJUSTMENT</u>	175
		Public Hearing Opened. Please Limit Your Remarks to 3 Minutes. Public Hearing Closed Council Discussion. Action- <u>Adopt</u> Refuse Rate Resolution No. 5651.	
19.	5 Minutes	<u>OUT OF AGENCY SERVICE REQUEST OSR-03-01: BURNETT-MORGAN HILL UNIFIED SCHOOL DISTRICT/SOBRATO HIGH SCHOOL</u>	185
		Public Hearing Opened. Please Limit Your Remarks to 3 Minutes. Public Hearing Closed Council Discussion. Action- <u>Adopt</u> Resolution of Approval No. 5656, Forwarding the Request to LAFCO.	
20.	20 Minutes	<u>ADJUSTMENTS TO USER FEES, SERVICE CHARGES, AND MISCELLANEOUS UTILITIES FEES</u>	191
		Public Hearing Opened. Please Limit Your Remarks to 3 Minutes. Public Hearing Closed Council Discussion. Action- <u>Adopt</u> Resolution No. 5658.	

21.	2 Minutes	<u>ZONING AMENDMENT APPLICATION, ZA-01-18: COCHRANE IN-N-OUT BURGER/APPLEBEE'S</u>	263
		Public Hearing Opened. Please Limit Your Remarks to 3 Minutes. Public Hearing Closed Council Discussion. Action- <u>Continue</u> Public Hearing to April 2, 2003.	
22.	10 Minutes	<u>OUT OF SERVICE AREA REQUEST OSR-03-02: ANDERSON LAKE-COUNTY OF SANTA CLARA</u>	265
		Public Hearing Opened. Please Limit Your Remarks to 3 Minutes. Public Hearing Closed Council Discussion. Action- <u>Adopt</u> Resolution of Approval No. 5660, Forwarding Request to LAFCO.	
23.	10 Minutes	<u>ZONING AMENDMENT ZA-02-21: CITY OF MORGAN HILL-AMENDMENT OF ZONING MAP</u>	273
		Public Hearing Opened. Please Limit Your Remarks to 3 Minutes. Public Hearing Closed Council Discussion. Action- <u>Motion to Waive</u> the Reading in Full of Ordinance No. 1611, New Series Action- <u>Motion to Introduce</u> Ordinance No. 1611, New Series by Title Only. (Roll Call Vote)	
24.	30 Minutes	<u>COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) ANNUAL ALLOCATION (FY 2003-3004)</u>	293
		Public Hearing Opened. Please Limit Your Remarks to 3 Minutes. Public Hearing Closed Council Discussion. Action- <u>Adopt</u> Resolution No. 5661 for Allocation of FY 2003-2004 Federal CDBG Funds. Action- <u>Authorize</u> the City Manager to do Everything Necessary for the Implementation of the CDBG Program, Including Execution of All Required Contracts.	

City Council Action

OTHER BUSINESS:

	Time Estimate		Page
25.	30 Minutes	<u>SANTA CLARA COUNTY'S COURTHOUSE PROJECT</u>	413
		<u>Recommended Action(s):</u> 1. <u>Provide</u> Comments on the Schematic Design for the County of Santa Clara's Morgan Hill Courthouse Campus Project.	
26.	5 Minutes	<u>EMERGENCY AUTHORIZATION FOR WELL DRILLING</u>	415
		<u>Recommended Action(s):</u> 1. <u>Adopt</u> Resolution No. 5657, Declaring the Need for This Emergency Expenditure; and 2. <u>Approve</u> the Expenditure of Funds, Not to Exceed \$640,000 for Construction of Emergency Well.	

Redevelopment Agency Action

OTHER BUSINESS:

	Time Estimate		Page
27.	15 Minutes	<u>PARKS AND RECREATION COMMISSION PUBLIC PROJECTS FUNDING</u> <u>ALLOCATION AND RECOMMENDATION</u> <u>Recommended Action(s):</u>	427
		1. <u>Receive</u> for Redevelopment Agency Discretion, the Recommendation by the Parks and Recreation Commission to <ul style="list-style-type: none"> a. <u>Allocate</u> \$2.7 Million of the Parks Development Fund to Pay for the Outdoor Sport Complex; b. <u>Increase</u> Development Impact Fees to Reduce Impact of Recommendation 1(a); c. <u>Re-allocate</u> \$2.7 Million in RDA Funds Previously Earmarked for Outdoor Sports Complex to the Aquatics Complex; and d. To the Extent That Contingency in Aquatics Complex is Not Used, it is to be <u>Returned</u> to the Park Development Fees Fund to offset the amount removed. 	

FUTURE COUNCIL-INITIATED AGENDA ITEMS:

Note: in accordance with Government Code Section 54954.2(a), there shall be no discussion, debate and/or action taken on any request other than providing direction to staff to place the matter of business on a future agenda.

ADJOURNMENT